



Making the decision to leave your job is never an easy one.

If you are thinking of moving on before you are eligible to retire, you may be wondering what will happen to your pension entitlement. You will have some choices to make regarding the pension benefit you have earned. This pamphlet outlines the processes and options for terminating your Plan membership.



## Getting the process started

Once the date of your departure is established, your College will outline the options you have, and will give you the forms you need. The first step is to complete and sign a *TRD Pension Claim*, with the help of your College. The options available to you will depend on your age, how long you have been a Plan Member, and the amount of Pensionable Service you have.

### So what's a...Deferred Pension?

This is the pension you earned, which you choose to start at a later time. The pension money remains in the fund until you let the Plan know that you are ready to start receiving it. It is expected that you will begin to receive it at age 65. You can choose to start it any time after you reach age 55, but there will be a reduction of 5% per year if you do. This reflects the extended length of time you are expected to collect it. It's important to keep the Plan informed of any change of address if you choose a Deferred Pension.

### So what's a...Commuted Value transfer?

This is what your pension is worth today, in a lump sum. You can transfer this amount to a locked-in RRSP, to another registered pension plan you are joining (if that plan accepts such transfers), or to an insurance company to purchase an annuity. The Commuted Value transfer is not available to Members who have reached age 55. Once you have transferred your Commuted Value, you will be entirely responsible for subsequent investment returns, and you will receive no other benefits from the CAAT Plan.

### So what's an...Early retirement pension?

This is any pension that begins before a Member reaches age 65. Depending on your circumstances, this pension may or may not be reduced. For more information, get a copy of the pamphlet called *Early Retirement*.

## Does one of these situations describe you?

### Under age 65, with less than 2 years of Pensionable Service or Plan membership?

**Entitlement:** a refund of your contributions plus interest. This amount can be transferred to a Registered Retirement Savings Plan, or taken in cash, which is subject to income tax.

**To do:** When you receive your *Non-vested Termination Option Document*, make your choice and return the signed form to the Plan, along with a Canada Revenue Agency *T2151* form if you will be transferring the funds into an RRSP.

### Under age 55 with between 2 and 20 years of Pensionable Service or Plan membership?

**Entitlement:** Deferred Pension or a Commuted Value transfer.

**To do:** When you receive your *Vested Termination Option Document*, make your choice and return the signed form to the Plan, along with related tax and banking information if you choose a Commuted value transfer.

### Between 55 and 65 with more than 2 years of Pensionable Service or Plan membership?

**Entitlement:** an immediate early retirement pension or a Deferred Pension.

**To do:** When you receive your option document, make your choice and return the signed form to the Plan, along with *TD1* tax forms and a void cheque if you choose an early retirement pension.

### Between 50 and 54 with more than 20 years of Pensionable Service?

**Entitlement:** an immediate early retirement pension, a Deferred Pension, or a Commuted Value transfer. Note that this Commuted Value transfer option will not be available after the end of 2012, due to changes made to the Plan text in 2007. See the pamphlet called *Retiring Early: the 50/20 Option* for more details.

**To do:** When you receive your option document, make your choice and return the signed form to the Plan, along with *TD1* tax forms and a void cheque if you choose an early retirement pension, **or** a Canada Revenue Agency *T2151* form and a *Direction to RRSP/RPP Administrator* form if you choose a Commuted Value transfer.

## Points to consider

- Regardless of your age, if you are planning to work at another organization with a registered pension plan and you are vested (you have two years of Pensionable Service or Plan membership), you may be able to transfer some or all of your pension credits into the new plan. Your College's Human Resources department will provide you with the details regarding transferring service, and can give you a pamphlet on the subject.
- You must return the necessary forms before the deadline indicated on your option document, or else you will be deemed to have chosen a Deferred Pension.
- For more information about terminating your employment, contact your HR department. For information about the CAAT Plan, visit our website or contact us at the address below.

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